



Senate

General Assembly

File No. 556

February Session, 2016

Substitute Senate Bill No. 342

Senate, April 7, 2016

The Committee on Government Administration and Elections reported through SEN. CASSANO, S. of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING ELECTRONIC FILING OF CAMPAIGN REPORTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 9-675 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) The State Elections Enforcement Commission shall (1) create a
4 [software] web-based program [or programs] for the preparation and
5 electronic submission of financial disclosure statements required by
6 [section 9-608] chapters 155 to 157, inclusive, and (2) prescribe the
7 standard reporting format and specifications for [other software
8 programs created by vendors] any software program created by a
9 vendor for such purpose. No software program created by a vendor
10 may be used for the electronic submission of such financial disclosure
11 statements [, until] unless the commission determines that the software
12 program provides for the standard reporting format [,] and complies
13 with the specifications [, which are] prescribed under subdivision (2) of

14 this subsection for [vendor software programs] any such software
15 program. The commission shall provide training in the use of the
16 [software program or programs] web-based program created by the
17 commission.

18 (b) On and after July 1, 2017, the following shall file all financial
19 disclosure statements required by chapters 155 to 157, inclusive, by
20 electronic submission pursuant to subsection (a) of this section: (1) The
21 treasurer of the candidate committee or exploratory committee for
22 each candidate for nomination or election to the office of Governor,
23 Lieutenant Governor, Attorney General, State Comptroller, State
24 Treasurer, [or] Secretary of the State, [who] state senator, state
25 representative or judge of probate that raises or spends [two hundred
26 fifty] one thousand dollars or more, [during an election campaign shall
27 file in electronic form all financial disclosure statements required by
28 section 9-608 by either transmitting disks, tapes or other electronic
29 storage media containing the contents of such statements to the State
30 Elections Enforcement Commission or transmitting the statements on-
31 line to said commission. Each such treasurer shall use either (1) a
32 software program created by the commission under subdivision (1) of
33 subsection (a) of this section, for all such statements, or (2) another
34 software program which provides for the standard reporting format,
35 and complies with the specifications, which are prescribed by the
36 commission under subdivision (2) of subsection (a) of this section, for
37 all such statements. The commission shall accept any statement that
38 uses any such software program] (2) the treasurer of any state central
39 committee, legislative caucus committee or legislative leadership
40 committee, (3) the treasurer of any other political committee or town
41 committee required to be registered with the commission that (A)
42 raises or spends one thousand dollars or more during the current
43 calendar year, or (B) raised or spent one thousand dollars or more in
44 the preceding regular election cycle, and (4) the treasurer of any
45 committee, or any other person, who makes or obligates to make any
46 independent expenditure and who is required to file a financial
47 disclosure statement of any such independent expenditure in
48 accordance with the provisions of section 9-601d. Once any such

49 candidate committee or exploratory committee has raised or spent
50 [two hundred fifty] one thousand dollars or more during an election
51 campaign, all previously filed statements required by [said section 9-
52 608] chapters 155 to 157, inclusive, which were not filed [in electronic
53 form] by electronic submission shall be refiled in such [form, using
54 such a software program,] manner not later than the date on which the
55 treasurer of [the] such committee is required to file [the next regular
56 statement under said section 9-608] its next financial disclosure
57 statement.

58 (c) (1) The treasurer of the candidate committee for any other
59 candidate, as defined in section 9-601, that neither raises nor spends
60 one thousand dollars or more who is required to file the financial
61 disclosure statements required by [section 9-608] chapters 155 to 157,
62 inclusive, with the commission, and (2) the treasurer of any political
63 committee or [party committee] town committee that neither raises nor
64 spends one thousand dollars or more who is required to file the
65 financial disclosure statements required by chapters 155 to 157,
66 inclusive, may file [in electronic form] any such financial disclosure
67 statements [required by said section 9-608. Such filings may be made
68 by either transmitting disks, tapes or other electronic storage media
69 containing the contents of such statements to the proper authority
70 under section 9-603 or transmitting the statements on-line to such
71 proper authority. Each such treasurer shall use either (A) a software
72 program created by the commission under subdivision (1) of
73 subsection (a) of this section, for all such statements filed in electronic
74 form, or (B) another software program which provides for the
75 standard reporting format, and complies with the specifications, which
76 are prescribed by the commission under subdivision (2) of subsection
77 (a) of this section, for all such statements filed in electronic form. The
78 proper authority under section 9-603 shall accept any statement that
79 uses any such software program.] by electronic submission pursuant to
80 subsection (a) of this section.

81 (d) Notwithstanding the provisions of this section, upon the written
82 request of a treasurer or any other person described in subdivisions (1)

83 to (4), inclusive, of subsection (b) of this section, the commission may
84 waive the requirement to file by electronic submission pursuant to
85 subsection (a) of this section if such treasurer or other person
86 demonstrates good cause.

87 Sec. 2. Subsection (d) of section 9-608 of the general statutes is
88 repealed and the following is substituted in lieu thereof (*Effective from*
89 *passage*):

90 (d) At the time of filing statements required under this section, the
91 treasurer of each candidate committee shall send to the candidate a
92 duplicate statement and the treasurer of each party committee and
93 each political committee other than an exploratory committee shall
94 send to the chairman of the committee a duplicate statement. Each
95 statement required to be filed with the commission under this section,
96 section 9-601d, section 9-706 or section 9-712 shall be deemed to be
97 filed in a timely manner if: (1) For a statement filed as a hard copy,
98 including, but not limited to, a statement delivered by the United
99 States Postal Service, courier service, parcel service or hand delivery,
100 the statement is received by the commission by five o'clock p.m. on the
101 day the statement is required to be filed, (2) for a statement authorized
102 by the commission to be filed electronically, including, but not limited
103 to, a statement filed via dedicated electronic mail, facsimile machine, a
104 web-based program created by the commission or other electronic
105 means, the statement is transmitted to the commission not later than
106 eleven fifty-nine o'clock p.m. on the day the statement is required to be
107 filed, or (3) for a statement required to be filed pursuant to section 9-
108 601d, section 9-706 or section 9-712, by the deadline specified in each
109 such section. Any other filing required to be filed with a town clerk
110 pursuant to this section shall be deemed to be filed in a timely manner
111 if it is delivered by hand to the office of the town clerk in accordance
112 with the provisions of section 9-603 before four-thirty o'clock p.m. or
113 postmarked by the United States Postal Service before midnight on the
114 required filing day. If the day for any filing falls on a Saturday, Sunday
115 or legal holiday, the statement shall be filed on the next business day
116 thereafter. The State Elections Enforcement Commission shall not levy

117 a penalty upon a treasurer for failure to file a hard copy of a statement
 118 in a timely manner in accordance with the provisions of this section [.]
 119 if such treasurer has a copy of the statement time stamped by the State
 120 Elections Enforcement Commission that shows timely receipt of the
 121 statement [.] or the treasurer has a return receipt from the United
 122 States Postal Service or a similar receipt from a commercial delivery
 123 service confirming timely [receipt] delivery of such statement [by] was
 124 made or should have been made to said commission.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	9-675
Sec. 2	<i>from passage</i>	9-608(d)

Statement of Legislative Commissioners:

In Section 1(a), "software" was inserted before two instances of "program" in the second sentence for clarity; in Section 1(b), "form" was bracketed and "manner" was inserted before "not later than" in the last sentence for accuracy, and technical changes were made; and in Section 2(d), commas were bracketed in the last sentence for proper grammar.

GAE *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 17 \$	FY 18 \$
Governmental Accountability, Off. (Elections Enforcement Commission)	GF - Savings	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

This bill lowers from \$250,000 to \$1,000 the threshold at which candidates must electronically file periodic campaign finance statements with the State Elections Enforcement Commission (SEEC).

This will result in a savings to SEEC as the agency will no longer have to contract out for data entry for paper campaign finance statements.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sSB 342*****AN ACT CONCERNING ELECTRONIC FILING OF CAMPAIGN REPORTS.*****SUMMARY:**

Beginning July 1, 2017, this bill lowers, from \$250,000 to \$1,000, the receipt and expenditure threshold at which statewide office candidate committees must file periodic campaign finance statements electronically with the State Elections Enforcement Commission (SEEC) using its web-based program (known as the electronic Campaign Reporting Information System, or eCRIS). It also:

1. extends the electronic filing requirement to specified exploratory committees, candidate committees, party committees, political committees (known as PACs), and people making independent expenditures (IEs);
2. expands it to include all financial disclosure statements these committees or people must file to comply with state campaign finance law or the Citizens' Election Program (CEP);
3. authorizes SEEC to waive the electronic filing requirement for good cause, upon receiving a written request; and
4. modifies what constitutes a timely filing for hard copy financial disclosure statements filed with SEEC.

The bill appears to eliminate, from the date of its passage until July 1, 2017, the current electronic filing requirement for statewide office candidates.

The bill also makes technical and conforming changes, primarily to reflect the implementation of eCRIS. For example, it eliminates

references to a SEEC-created “software” program and replaces them with a “web-based” program. It also eliminates an obsolete provision allowing mandatory electronic filings to be made using alternative media forms (e.g., disks or tapes).

EFFECTIVE DATE: Upon passage

ELECTRONIC FILING

Covered Committees and Individuals

Under current law, statewide office candidate committees that raise or spend \$250,000 or more during an election campaign must file periodic campaign finance statements electronically with SEEC. There is no electronic filing requirement for other committees (candidate, party, or PAC).

The bill lowers the threshold to \$1,000 and extends the electronic filing requirement to (1) exploratory committees for statewide office candidates that raise or spend the threshold amount and (2) exploratory and candidate committees for legislative office and judge of probate candidates that raise or spend the threshold amount.

The bill also extends the electronic filing requirement to:

1. state central, legislative caucus, and legislative leadership committees;
2. town committees and PACs that register with SEEC and raise or spend \$1,000 or more during the current calendar year or during the last regular election cycle; and
3. people and committees that make or obligate to make IEs exceeding \$1,000 in the aggregate, including those whose spending is limited to municipal candidates or issues and currently file with their town clerk.

By law, unchanged by the bill, committee treasurers file campaign finance disclosure statements. If no committee exists, as is sometimes the case with people making IEs, then the individual responsible for

making the IE files the statements.

Waiver. The bill authorizes SEEC to waive the electronic filing requirement, for good cause, for any committee or person listed above. It may do so on receiving a written request from the committee treasurer or person making or obligating to make an IE, if applicable.

Covered Financial Disclosure Statements

For covered committees and individuals, the bill expands the electronic filing requirement to include any financial disclosure statement they must file to comply with campaign finance law or the CEP. In addition to periodic campaign finance statements, these include the cumulative itemized accounting that accompanies a CEP grant application and declarations of excess expenditures, among others.

Resubmitting Reports

Current law requires statewide office candidate committees that reach the threshold during an election campaign to electronically resubmit any previously filed statements that were not in electronic form. The bill extends this requirement to covered exploratory committees and to candidate committees for legislative office and judge of probate candidates.

Permissive Electronic Filings

Under existing law and the bill, a candidate committee for a statewide office or legislative candidate and any party committees or PACs not otherwise required to file periodic campaign finance statements electronically, may nonetheless do so. The bill extends this authorization to cover all required financial disclosure statements.

The bill also allows PACs whose spending is limited to municipal candidates or issues to file electronically with SEEC using eCRIS. Current law instead allows these PACs to file electronically with town clerks.

TIMELY FILING FOR HARD COPIES

By law, financial disclosure statements filed in hard copy are considered timely when SEEC receives them by 5:00 pm on the filing deadline. Currently, SEEC cannot levy a penalty for failure to file a hard copy timely if a treasurer has a return receipt from the U.S. Postal Service, or a similar receipt from a commercial delivery service, confirming that SEEC received the statement by the deadline. The bill instead prohibits SEEC from levying a penalty if the receipt confirms that the statement was delivered, or should have been delivered, by the deadline.

COMMITTEE ACTION

Government Administration and Elections Committee

Joint Favorable Substitute

Yea 15 Nay 0 (03/21/2016)